

## **California Disabled Veteran Business Enterprise Program Requirements (3/04)**

**AUTHORITY:** The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for state contracts is established in Public Contract Code (PCC), Section 10115 et seq., Military and Veterans Code, Section 999 et seq. and California Code of Regulations, Title 2 (2CCR), Section 1896.60 et seq.

**The minimum DVBE participation percentage is three percent (3%) for this solicitation.**

### **INTRODUCTION:**

**To meet the DVBE program requirements, bidders must complete and fully document at least one of the following compliance options:**

**Option A - Commitment to DVBE participation** - For a bidder who is a DVBE or who is able to meet the commitment to use identified DVBE(s) to fulfill the full DVBE participation goal.

**Option B - Good Faith Effort** - For a bidder documenting its completed effort, made prior to the bid due date, to obtain DVBE participation that may result in partial or no DVBE participation.

The bidder must document at least one of the options (A and/or B) in this document to comply with this solicitation's DVBE program requirements. Bids or proposals (hereafter called "bids") that fail to fully document one of the DVBE program requirements options shall be considered non-responsive and ineligible for award.

Information submitted by the bidder to comply with this solicitation's DVBE requirements may be verified by the State. If evidence of an alleged violation is found during the verification process, the State shall initiate an investigation with this information in accordance with the requirements of the PCC, Section 10115, et seq. and the Military and Veterans Code, Section 999 et seq. and follow the investigatory procedures required by 2CCR, Section 1896.80.

Only State of California, Office of Small Business and DVBE Certification (OSDC) certified DVBEs who perform a commercially useful function relevant to this solicitation may be used to satisfy the DVBE program requirements. The criteria for performing a commercially useful function are contained on page 5, Resources & Information and 2CCR, Section 1896.61(l).

**Final DVBE compliance determination of either "Commitment to DVBE Participation" and/or "Good Faith Effort" by the bidder shall be at the sole discretion of the CDE.**

**READ ALL INSTRUCTIONS CAREFULLY.** These instructions contain information about the DVBE program requirements, bidder responsibilities, and requirements for performing and documenting each of the available options. Bidders are responsible for thorough review and compliance with these instructions. Document the option selection on the attached CDE form, Documentation of Disabled Veteran Business Enterprise Program Requirements (DVBE1).

Failure to complete and submit the DVBE1 as indicated herein will render the bid non-responsive and eliminate it from further consideration. Note: All dollar amounts must be redacted from the DVBE documentation. Failure to do so will result in the elimination of the bid.

**OPTION A – COMMITMENT** -- Commit to meet or exceed the DVBE participation requirement in this solicitation by either Method A1 or A2. Bidders must document DVBE participation commitment by completing and submitting the attached DVBE1. Failure to complete and submit DVBE1 shall render the bid non-responsive.

The bidder must provide with its bid a letter of commitment prepared by each selected DVBE subcontractor, including the goods or services being provided and a copy of the OSDC DVBE Certification. Upon contract award the contractor shall enter into a written agreement with each selected DVBE subcontractor. The written agreement will include the DVBE scope of work, work to be performed by the DVBE, term of intended subcontract with the DVBE, anticipated dates the DVBE will perform required work, rate and conditions of payment, total amount of contract to be paid to the DVBE, and the percentage of the entire contract that will be awarded to the DVBE, for each selected DVBE subcontractor. Copies of agreements shall be provided to CDE upon request.

**Method A1. Certified DVBE bidder:**

- a. The Bidder is a DVBE and commits to performing at least three percent (3%) of the bid amount itself or in combination with other DVBE(s).
- b. Document DVBE participation on DVBE1 (page 1) and attach a copy of the OSDC DVBE certification for bidder and any other DVBE to be used.
- c. A letter of commitment prepared by other participating DVBE subcontractor(s)/supplier(s), including the goods or services being provided and a copy of the OSDC DVBE certification, must be attached to the DVBE1. The CDE may contact each listed DVBE, for verification of the bidder's submitted DVBE information. Failure to submit the letter of commitment as specified, will be grounds for bid rejection.

**Method A2. Non-DVBE bidder:**

- a. Commit to using OSDC certified DVBE(s) for at least three percent (3%) of the bid amount.

- b. When a bidder commits to less than the required three percent (3%) DVBE participation, then compliance with Option B, Good Faith Effort, is also required in addition to Option A, Commitment.
- c. Document DVBE participation on DVBE1 (page 1) and attach a copy of the OSDC DVBE certification for each participating DVBE subcontractor(s)/supplier(s).
- d. A letter of commitment prepared by participating DVBE subcontractor(s)/supplier(s), including the goods or services being provided, must also be attached to the DVBE1. The CDE may contact each listed DVBE, for verification of the bidder's submitted DVBE information. Failure to submit the letter of commitment as specified, will be grounds for bid rejection.

**OPTION B – GOOD FAITH EFFORT (GFE)** performance and documentation requirements must be completely satisfied prior to bid submission. Perform and document the following Steps 1 through 5 on both sides of the attached DVBE1. Failure to document GFE Steps 1 through 5 as instructed, which includes properly completing and submitting the DVBE1, will result in rejection of the bid. Note: Step 3, Advertisement, is required unless specifically waived for this solicitation by CDE.

**Step 1 Awarding Department** - Contact the CDE Contracts Office at (916) 322-3035 for assistance in identifying DVBEs. Fully document this contact on DVBE1 (page 2).

**Step 2 Other State and Federal Agencies, and Local Organizations**

**STATE** Contact the Department of General Services, Procurement Division's (DGS-PD) Office of Small Business and DVBE Certification (OSDC) to obtain a list of certified DVBEs by telephone at (916) 322-5060 for the 24-hour automated telephone system or (916) 375-4940 for the receptionist during normal business hours. This information can also be obtained by searching the online database at <http://www.pd.dgs.ca.gov/smbus>. Begin by selecting Certified Firm Inquiry Services, and then search by using either the Keyword Search (recommended) or the Standard Query options. This contact must be fully documented (including copies of online database searches) and the results described on the DVBE1 (page 2).

**FEDERAL** Search the U.S. Business Partner Network online database (Central Contractor Registration) at <http://www.ccr.gov> to identify potential DVBEs. Use the Dynamic Small Business Search and select these minimum options; select CA under "State"; select Service Disabled Veteran under "Other Ownership Data"; and "Search Using These Criteria" at the page bottom. The database takes a few moments to query, and then the list will appear on your screen. You may select other criteria to focus your search. This contact must be fully documented (including copies of online database searches) and the results described on the DVBE1 (page 2).

**LOCAL** Contact at least one local DVBE organization to identify DVBEs. For a list of local DVBE organizations, please refer to the DVBE Resource Packet that

may be accessed online (<http://www.pd.dgs.ca.gov/smbus> - select "DVBE Resource Packet") or obtain a hardcopy by requesting it from DGS-PD Office of Small Business and DVBE Outreach and Education (see the Resources & Information page). This contact must be fully documented (including copies of online database searches) and the results described on the DVBE1 (page 2).

**Step 3 Advertisements** are mandatory unless otherwise indicated herein. The purpose of the advertisements is to obtain interested DVBE subcontractors and/or suppliers for the specific bid and resulting contract; therefore, general interest advertisements do not comply with the intent of this step. Advertisements must be specific enough to encourage responses from potential DVBE subcontractors/suppliers.

**CONTENT REQUIREMENTS:** Include all of the following in the advertisement(s): (1) company name; (2) contact name; (3) address; (4) telephone and facsimile (if applicable) numbers; (5) e-mail address (if applicable); (6) name of awarding department and name of solicitation; (7) the type goods and/or services which the bidder is soliciting (commercially useful function); (8) the location of the work to be performed; and (9) the due date for receiving DVBE responses.

**HOW MANY & WHERE TO PUBLISH:** CDE requires advertisements to be published in two separate publications, in one of the following ways:

- In at least one each "Trade" paper and "Focus" paper, or
- In at least one each "Trade" paper and "Dual Purpose" publication (fulfilling both trade and focus requirements as defined in 2CCR, Section 1896.61(k)), or
- In at least one each "Focus" paper and "Dual Purpose" publication (fulfilling both trade and focus requirements as defined in 2CCR, Section 1896.61(k)), or
- In **two** "Dual Purpose" publications (fulfilling both trade and focus requirements as defined in 2CCR, Section 1896.61(k)).

See the DVBE Resource Packet for a list of acceptable publications and definitions of "Trade" and "Focus" papers. Access online at (<http://www.pd.dgs.ca.gov/smbus> - select "DVBE Resource Packet").

**WHEN:** Ads must be published after the CDE solicitation release date and at least 14 days prior to the bid due date, unless a different time period is expressly established in this solicitation.

**DOCUMENT & SUBMIT:** DVBE1 (page 2), document the publication names in which the advertisements were published, the contact name and phone number, and date of publication. Attach copies of the advertisements to the DVBE1.

## **Step 4 Invitations to Participate**

**WHO:** Invite (solicit) DVBEs who can provide relevant goods and/or services (commercially useful function) relevant to this solicitation. Conducting Steps 1 through 3 produces a list of DVBEs from which potential DVBEs may be chosen. Bidders are advised to contact as many DVBEs (who provide relevant goods and/or services in the applicable location(s)) as possible. Non-California-certified DVBEs are not eligible -- refer those DVBEs to the OSDC to learn about certification (see the Resources & Information page for contact information).

**FOR WHAT:** Solicit DVBEs for goods and/or services relevant (commercially useful function) to this solicitation. The bidders shall not make a predetermination that no DVBEs are able to perform without first contacting and soliciting participation. This allows DVBEs to respond whether they can or cannot provide any goods or services related to the solicitation, and provides a bidder with responses for consideration.

**HOW TO INVITE & CONTENT REQUIREMENTS:** Written invitations (solicitations) are required. At a minimum, invitations must contain all of the following: (1) company name; (2) contact name; (3) address; (4) telephone and facsimile (if applicable) numbers; (5) e-mail address (if applicable); (6) name of awarding department and name of solicitation; (7) the type goods and/or services which the bidder is soliciting (commercially useful function); (8) the location of the work to be performed; and (9) the due date for receiving DVBE responses.

**WHEN:** Provide DVBE's with a reasonable time period to receive and respond to the invitation and to be considered for participation (described in Step 5) prior to bid submission.

**DOCUMENT & SUBMIT:** Bidders must document the contacts on DVBE1 (page 1), Section A. Attach additional copies (use page 3) of DVBE1 A as necessary to list DVBE contacts. Attach a copy of: (1) each invitation or offer sent by letter, fax or e-mail; and (2) confirmation of receipt. Failure to include copies of the written invitations and receipt confirmations will result in the rejection of the bid. Note: Confirmation of Receipt is written documentation from the DVBE signifying receipt of solicitation (Fax transmission reports and printouts of sent e-mail will not fulfill requirement).

**Step 5 Consider all responding DVBEs** for contract participation. The same evaluation criteria must be applied to each potential DVBE subcontractor/supplier offering the same goods and services (commercially useful function). Document on DVBE1 (page 1), Section A, any firm(s) selected for participation; or, if not selected, document the reason for non-selection (must be based on business needs of the contract). Attach additional copies of DVBE1A (use page 3) as necessary to list all of the DVBE contacts.

## RESOURCES AND INFORMATION

For assistance in preparing a responsive participation document, **contact the CDE Contracts Office at (916) 322-3050**. In accordance with Public Contract Code Section 10115.2(b)(3), bidders must advertise in trade and focus publications unless the requirement is waived. The Department of General Services, Procurement Division (DGS-PD) publishes a list of trade and focus publications to assist bidders in meeting this requirement. To obtain the list, contact the DGS-PD Office of Small Business and DVBE Outreach and Education and request the "DVBE Resource Packet", or access online (<http://www.pd.dgs.ca.gov/smbus> - select "DVBE Resource Packet").

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**U.S. Business Partner Network** *formerly Pro-Net*  
**(Central Contractor Registration)**

*Internet contact only* –<http://www.ccr.gov>  
*Dynamic Small Business Search button*

**FOR:**  
**Service-Disabled Veteran-**  
**owned businesses**  
**in California**  
(Verify California certification for each DVBE)

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**Local Organizations** (see the DVBE Resource Packet available from DGS-PD DVBE Program Section listed below)

**FOR:**  
**List of potential DVBE**  
**subcontractors**

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**DGS-PD Office of Small Business and DVBE Certification (OSDC)**

707 Third Street, Room 400, West Sacramento, CA 95605

Website: <http://www.pd.dgs.ca.gov/smbus>

24-hour automated information & document

requests: (916) 322-5060

Receptionist: (916) 375-4940

Fax: (916) 375-4950

**FOR:**  
**Directory of Certified DVBEs**  
**Certification Applications**  
**Certification Information**  
**Certification Status, Concerns**

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**DGS-PD Office of Small Business and DVBE Outreach and Education**

707 Third Street, 2nd Floor, West Sacramento, CA 95605

Voice, 8 am—5 pm: (800) 559-5529

Fax: (916) 375-4597

**FOR:**  
**DVBE Program Participation**  
**Requirements**  
**DVBE Program Info. and**  
**Statewide Policy**  
**DVBE Resource Packet**  
**DVBE Business Utilization**  
**Plan**  
**Small Business/DVBE**  
**Advocates**

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### Advertisement Format Example

This example offers a suggested format that includes required information outlined in Option B, Good Faith Effort, Step 3. Substitute the applicable information for the bolded, italicized words.

DVBEs are invited to participate as a potential subcontractor/supplier to perform a commercially useful function specific to **CDE IFB or RFP No. 12345** for

***ABC Test Development  
Soliciting for printing services  
(Commercially useful function)  
DVBE responses due 1/1/2020***

Contact: ***Any Company  
Jane Doe, General Manager  
123 Main Street, Sacramento, CA  
95814***

voice: ***555/555-5555***; fax: ***555/555-5556***  
or e-mail: ***jane.doe@anyco.com***

### Commercially Useful Function

#### Definition

California Code of Regulations, Title 2, § 1896.61(l):

The term "DVBE contractor, subcontractor or supplier" means any person or entity that satisfies the ownership (or management) and control requirements of Section 1896.61(f); is certified in accordance with Section 1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing a commercially useful function. A DVBE contractor, subcontractor or supplier is considered performing a commercially useful function when it meets the following criteria:

(1) The business concern is: responsible for the execution of a distinct element of the work of the contract; carrying out its obligation by actually performing, managing or supervising the work involved; and performing work that is normal for its business services and functions, and

(2) The business concern is not further subcontracting a greater portion of the work than would be expected by normal industry practices.

**DVBE Program Requirement Checklist**  
(3/04)

Do not submit this checklist with your bid.

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☐ **OPTION A: COMMITMENT TO DVBE CONTRACT PARTICIPATION**

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- ☐ FORM DVBE1 INCLUDED WITH BID
- ☐ DESIGNATED THE COMMITMENT OPTION – CHECKED THE “OPTION A” BOX
- ☐ LISTED AT LEAST ONE CALIFORNIA CERTIFIED DVBE SUBCONTRACTOR/SUPPLIER
- ☐ CHECKED THE BOX(ES) FOR “YES”
- ☐ LISTED SPECIFIC GOODS AND/OR SERVICES DVBE AGREES TO PROVIDE
- ☐ PROPOSED DVBE CONTRACT PERFORMANCE IS A “COMMERCIALLY USEFUL FUNCTION” RELEVANT TO THE CONTRACT
- ☐ LISTED THE PERCENTAGE OF THE CONTRACT FOR THE DVBE PARTICIPATION
- ☐ PROPOSED DVBE PARTICIPATION MEETS THE STATED PARTICIPATION REQUIREMENT
- ☐ ATTACHED A COPY OF THE OSDC CERTIFICATION LETTER
- ☐ ATTACHED A COPY OF THE COMMITMENT LETTER FROM THE DVBE

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☐ **OPTION B: GOOD FAITH EFFORT (GFE)**

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- ☐ FORM DVBE1 INCLUDED WITH BID
- ☐ DESIGNATED THE GOOD FAITH EFFORT OPTION – CHECKED THE “OPTION B” BOX
- ☐ (STEP 1) CONTACTED THE CALIFORNIA DEPARTMENT OF EDUCATION AND LISTED RESULTS
- ☐ (STEP 2) CONTACTED OTHER STATE AGENCY – OFFICE OF SMALL BUSINESS AND DVBE CERTIFICATION OFFICE AND LISTED THE RESULTS
- ☐ (STEP 2) CONTACTED THE FEDERAL INTERNET DATABASE AND LISTED RESULTS
- ☐ (STEP 2) CONTACTED LOCAL DVBE ORGANIZATION(S) AND LISTED RESULTS
- ☐ ATTACHED COPIES OF ONLINE QUERIES AND RESULTS
- ☐ (STEP 3) ADVERTISEMENTS – (UNLESS WAIVED) - LISTED INFORMATION FOR THE ADVERTISEMENT AND PUBLICATION
- ☐ ATTACHED COPIES OF ADVERTISEMENTS
- ☐ ADVERTISEMENTS ARE PUBLISHED AT LEAST 14 DAYS PRIOR TO BID DUE DATE
- ☐ ADVERTISEMENTS INCLUDE ALL CONTENT REQUIREMENTS
- ☐ (STEP 4) INVITATIONS TO PARTICIPATE - LISTED ALL DVBEs CONTACTED AND INVITED TO PERFORM ON THE PROPOSED CONTRACT (DVBE1 pages 1 and 3)
- ☐ CONFIRMED LISTED DVBEs ARE OSDC CERTIFIED
- ☐ SOLICITATIONS INCLUDED ALL CONTENT REQUIREMENTS
- ☐ ATTACHED COPIES OF WRITTEN SOLICITATIONS
- ☐ ATTACHED COPIES OF DVBEs CONFIRMATION OF RECEIPT
- ☐ (STEP 5) CONSIDERED ALL RESPONDING DVBEs
- ☐ NO DVBE COMMITMENT- CHECKED THE “No” BOX AND STATE THE BUSINESS REASON FOR NON-SELECTION FOR ALL DVBEs CONTACTED
- ☐ PARTIAL DVBE PARTICIPATION COMMITMENT - CHECKED THE “Yes” BOX AND LISTED DVBE INFORMATION, PROVIDED THE PERCENTAGE OF CONTRACT AMOUNT, LISTED



SPECIFIC GOODS AND/OR SERVICES DVBE AGREES TO PROVIDE AND ATTACHED COPIES  
OF OSDC CERTIFICATION LETTER(S) AND DVBE COMMITMENT LETTER(S)

**Final DVBE compliance determination of either “Commitment to DVBE participation” and/or “Good Faith Effort” by the bidder shall be at the sole discretion of the CDE.**